

59-10-1028 Nonrefundable tax credit for capital gain transactions on the exchange of one form of legal tender for another form of legal tender.

- (1) As used in this section:
 - (a) "Capital gain transaction" means a transaction that results in a:
 - (i) short-term capital gain; or
 - (ii) long-term capital gain.
 - (b) "Long-term capital gain" is as defined in Section 1222, Internal Revenue Code.
 - (c) "Long-term capital loss" is as defined in Section 1222, Internal Revenue Code.
 - (d) "Net capital gain" means the amount by which the sum of long-term capital gains and short-term capital gains on a claimant's, estate's, or trust's transactions from exchanges made for a taxable year of one form of legal tender for another form of legal tender exceeds the sum of long-term capital losses and short-term capital losses on those transactions for that taxable year.
 - (e) "Short-term capital loss" is as defined in Section 1222, Internal Revenue Code.
 - (f) "Short-term capital gain" is as defined in Section 1222, Internal Revenue Code.
- (2) Except as provided in Section 59-10-1002.2, for taxable years beginning on or after January 1, 2012, a claimant, estate, or trust may claim a nonrefundable tax credit equal to the product of:
 - (a) to the extent a net capital gain is included in taxable income, the amount of the claimant's, estate's, or trust's net capital gain on capital gain transactions from exchanges made on or after January 1, 2012, for a taxable year, of one form of legal tender for another form of legal tender; and
 - (b) 5%.
- (3) A claimant, estate, or trust may not carry forward or carry back a tax credit under this section.
- (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may make rules to implement this section.

Amended by Chapter 399, 2012 General Session